

APPLICATION FOR

Version 7/03

FEDERAL ASSISTANCE		2. DATE SUBMITTED: March 10, 2005	Applicant Identifier
1. TYPE OF SUBMISSION:		3. DATE RECEIVED BY STATE	State Application Identifier
Application	Pre-application		
<input type="checkbox"/> Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
X Non-Construction	<input type="checkbox"/> Non-Construction		

5. APPLICANT INFORMATION			
Legal Name: Lee County		Organizational Unit:	
		Department: Department of Transportation	
Organizational DUNS: n/a		Division: n/a	
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)	
Street: 1500 Monroe Street		Prefix: Mr.	First Name: Scott
City: Fort Myers		Middle Name: M.	
County: Lee		Last Name: Gilbertson	
State: Florida		Zip Code: 33901	Suffix: P.E.
Country: USA		Email: gilbersm@leegov.com	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 59-6000702		Phone Number(give area code) 239-479-8580	Fax Number (give area code) 239-479-8520
8. TYPE OF APPLICATION:		7. TYPE OF APPLICANT: (See back of form for Application Types)	
X New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		B	
Other (specify)		9. NAME OF FEDERAL AGENCY: Federal Highway Administration	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: # 20-205		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:	
TITLE (Name of Program): Value Pricing Pilot Program		Expansion of Value Pricing to the Sanibel Bridge and Causeway	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): Lee County, Florida; City of Sanibel			
13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:	
Start Date:	Ending Date:	a. Applicant: FL-14	b. Project: FL-14
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$200,000.00	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON Date:	
b. Applicant	\$ 25,000.00	b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$ 25,000.00	X OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other		<input type="checkbox"/> Yes If "Yes" attach an explanation.	
f. Program Income		X No	
g. TOTAL			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative:			
Prefix: Mr.	First Name: Scott	Middle Name: M.	
Last Name: Gilbertson		Suffix: P.E.	
b. Title: Department Director		c. Telephone Number (give area code) 239-479-8580	
d. Signature of Authorized Representative: Scott Gilbertson		e. Date Signed: March 10, 2005	

**FHWA Discretionary Programs
Value Pricing Pilot Program**

SKETCH and DETAIL PLAN

Expansion of Value Pricing to the Sanibel Bridge and Causeway

Submitted By:

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Lee County Department of Transportation
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Fort Myers, Florida 33901
(941) 479-8580

Submitted To:

Mr. Bob Wright
Acting Division Administrator
U.S. Department of Transportation
Federal Highway Administration
545 John Knox Road, Suite 200
Tallahassee, FL 32303

Mr. Johnny Limbaugh
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Florida Department of Transportation
P. O. Box 1030
Fort Myers, Florida 33902-1030

March 11, 2005

FHWA Discretionary Programs Value Pricing Pilot Program

SKETCH PLAN

Pre-Project Study for the Expansion of Value Pricing in Lee County, Florida to the Sanibel Bridge and Causeway

1. Congestion Problem (SKETCH PLAN) and A Description of the Congestion Problem being Addressed (current and projected) (REFINED PROPOSAL)

Lee County, through its partnerships with FHWA and FDOT has emerged as a national leader in the implementation of value pricing. Currently the County is active on three value pricing fronts, its original variable pricing program, LeeWay, which was implemented in August, 1998, a just completed program to expand the availability of variable pricing to heavy vehicles, and the design of a facility to expand value pricing concepts to point congestion through the value priced queue jumps.

However, even with the application of value pricing, the County's rapid growth is bringing about significant increases in traffic on many of the County's major roadway facilities. Because of its success, value pricing has become an integral part of the County's response to its growing congestion, and the County is committed to finding additional effective uses for the concept.

Because of the geography of the County, two of the County's toll bridges act as "throttles" for many of the County's major roadways. Value pricing impacts brought about by the variable bridge tolls therefore impact a far larger area than the immediate vicinity of the bridges. Research performed as part of the County's original program indicate that the initial variable pricing program alone saves the County's commuters between 30,000 and 40,000 hours per year of travel time.

In the County's original variable pricing program, the County's third toll facility, the Sanibel Causeway, was evaluated for value pricing. While it was felt that pricing could have a positive effect on the traffic congestion on the Sanibel Causeway and on Sanibel Island itself, because the Causeway's peaking characteristics are not traditional, it was not included in the initial round of variable pricing implementation.

Congestion on Sanibel, one of the barrier islands on Lee County's coast, is, however, exceptionally heavy. During season, which is between January and April, the problem is particularly severe. While the problem is significant moving onto the Island, it is even more severe coming off the Island.

Level of service on the Causeway itself is currently "E" as listed in the County's Concurrency Management Inventory and Projections for 2003-2004/2004-2005. However, the toll facility on the mainland side of the Causeway and the intersection of

Periwinkle Way and Causeway Boulevard on the Island side of the Causeway act as "throttles" for traffic accessing the Causeway. Significant congestion, often with queues exceeding one half mile regularly exist during the peak season months. While specific speed and delay runs were not performed for this application, these areas of roadway routinely experience a failing level of service and impose significant travel delay on the roadway users. It is this congestion that this project seeks to reduce.

Congestion on barrier islands is a common problem in the coastal United States. As many barrier islands impose a toll on the bridge used to reach the island, information on the reaction of barrier island traffic to value pricing of could have significant positive benefits to many communities.

2. Nature of proposed project to respond to the problem (Include goals, time line for study and possible implementation) (SKETCH PLAN) and A Description of the Proposed Pricing Program and Its Goals, Including Description of Facilities Included, and, Expected Pricing Schedules, Technology to Be Used, Enforcement Programs, etc. (REFINED PROPOSAL).

Lee County's use of lower tolls to induce people to move out of the peak hours has proven to be quite successful. The impact of reduced tolls during the shoulder hours at the Midpoint Memorial and Cape Coral bridges has had a significant effect on traffic using those facilities.

This same philosophy is proposed for use on the Sanibel Causeway. Prior to implementation, the County will consider lowering tolls prior to the morning peak and just after the peak to attract drivers out of the peak hours. While this will be studied, there is a concern that because Sanibel has a mid-morning peak hour, convincing traffic to move out of the peak may hinder the morning commute. It is possible that this may be addressed by offering to reduce the toll in the shoulder hour or hours after the peak rather than in the shoulder hours before and after the peak.

As previously discussed, the problem is actually more significant leaving the Island than it is approaching the Island. However, tolls are only collected one-way, onto the Island, therefore, there is not an opportunity to apply traditional value pricing. As the operational efficiencies are substantial for tolling only one-way for a toll facility for Island access, the operational expenses associated with full two-way toll collection are not conducive to changing to two-way toll collection.

Value pricing discounts in Lee County have been limited to those vehicles paying their tolls electronically using transponders (electronic toll collection or ETC). This has proven successful in encouraging transponder use, which in turn, increases the efficiency of the toll facility. This same thinking will apply to the Sanibel implementation.

To encourage trips to leave the Island during off-peak times, it is proposed that a credit to a driver's toll account be offered if trips occur during hours determined to be off-peak. It is likely that the "credit" hours will be targeted are those times most likely to result in a reduction of off-peak traffic. With only one lane devoted to traffic leaving the Island,

installing and operating a single ETC reader will be feasible and relatively inexpensive when compared to the cost of developing a full two-way toll operation. Implementation of off-Island discount times will require some software programming, however, this is felt to be a reasonably small effort. The technology proposed is "off-the-shelf" and is currently in use in Lee County. Since a credit is being given, a violation enforcement system for the credit lane is not felt to be necessary.

Because of the complexity of the County's existing toll structure, development of the actual pricing to be used is a significant undertaking. For this reason, development of the actual pricing system will be undertaken as a preliminary project phase prior to implementation. Lee County has a proven track record of developing successful value pricing toll structures. This experience will be used in developing an effective value pricing toll structure for the Sanibel Causeway.

3. Preliminary Estimates of the Social and Economic Effects of the Pricing Program, Including Potential Equity Impacts, and a Plan or Methodology for Further Refining These Estimates for All Pricing Projects Included in the Program. (REFINED PROPOSAL)

By utilizing the credit approach, many of the potential and/or perceived negative social and economic impacts do not come into play. No increase above the existing one-way toll of six dollars per trip, or three dollars per trip with a discount program, is contemplated as part of this implementation effort. Any changes in the toll rate will either be discounts of the existing toll when going onto the Island, or a credit into the driver's toll account for vehicles leaving the Island during "discount" times. Surveys of users will be undertaken to assess many of the issues involved in the project. Questions relating to potential social and economic effects will be included in these surveys. No negative social equity impacts are projected to result from implementation of this project.

In terms of economic impact to the businesses on the Island, toll discounts and/or credits are almost certain to have a positive impact, if an impact exists. Telephone surveys, or, possibly, telephone interviews will be conducted with randomly selected Island businesses to determine what, if any, impact has occurred.

3. Additional signatories to co-op agreement – indications of support from parties (or plans for obtaining support) (SKETCH PLAN)

The owner/operator of facilities planned for inclusion in this program is the Lee County Board of County Commissioners (BOCC). The Lee County BOCC has given specific authorization for the submission of this grant application; a strong indication of their project support. A planned additional signatory to the co-operative agreement is the Florida Department of Transportation. It is anticipated that their support can be obtained through their participation on the Project Management Team for the existing projects. The Lee County Metropolitan Planning Organization (MPO) supports value pricing in the County, and continued coordination with the MPO will occur through Lee County's representatives on the MPO. The City of Sanibel, while not a signatory to the

Agreement, is anticipated to be represented on the Project Management Team and has indicated an interest in partnering with the County on grant matching funds.

4. The role of alternative transportation modes in the project, and anticipated enhancements proposed to be included in the pricing program (REFINED PROPOSAL)

At present, no public transit exists on Sanibel Island. Several of the larger employers do, however, utilize van pools for their employees. The Town of Fort Myers Beach recently made a significant investment in upgraded trolley service provided by Lee Tran, the transit agency in Lee County. This program has proven to be extremely successful, and the potential for expanding the program onto Sanibel is being informally considered. The project will remain apprised of the status of public transportation on Sanibel, and, if appropriate, integrate transit or other alternative modes into the value pricing project.

4. Extent of public participation in development of the proposal (SKETCH PLAN)

Significant public participation has occurred and is ongoing for the current value pricing project. Value pricing has enjoyed excellent public support in the County, and this proposal reflects the opportunity that this support brings to expand the program.

Public participation for the value pricing projects has included a series of public meetings held specifically to introduce the Lee County variable pricing concept to the citizens of Lee County. Additionally, telephone surveys, focus groups, surveys of LeeWay customers, roadside surveys, presentations to numerous civic associations, and presentations to the MPO and its Technical and Citizen's Advisory Committees have occurred. The project has also enjoyed exceptionally strong coverage from the local media including two editorial endorsements.

Finally, the citizens of Lee County have actually been able to participate in value pricing, and significant changes in traffic patterns have occurred on facilities offering value pricing. This usage is basically the ultimate measure of public participation and acceptance, and bodes well for the future of expanding the project.

While equity concerns can be a potential issue in value pricing projects, no change in the toll structure is proposed as part of this project. Further, due to the efficiencies associated with the use of ETC and value pricing, no construction outside of the existing footprint of the facilities is anticipated effectively eliminating any potential for social or environmental impact issues.

5. A timeline for the pre-project study and implementation of the project (REFINED PROPOSAL).

The pre-project study that is the subject of this grant request is anticipated to be concluded within 12 months of grant approval and execution of necessary agreements. This would be the time period for this grant. For implementation, the Sanibel toll facility

will be undergoing reconstruction while the feasibility study is under way. Assuming value pricing implementation proves to be feasible, the additional hardware needed to implement any type of credit program will be relatively minimal and can be installed concurrently with facility reconstruction, if schedules allow, or after reconstruction if necessary.

Once reconstruction is complete, it is recommended that one year's data be gathered prior to implementation of value pricing. This would be followed by implementation of the program and data collection for one year after implementation. It is anticipated that analysis of the data and preparation of a project report would require an additional six-months.

5. Legal and administrative authority needed to implement – steps needed to obtain necessary authority (SKETCH PLAN).

The Lee County Board of County Commissioners (BOCC) has the administrative authority to implement the project. The BOCC has been very supportive of the value-pricing program to date, including implementation of value pricing on two major roadway facilities in the County. As previously discussed, the BOCC has specific knowledge that this grant is being pursued and specifically approved submission of this grant application. Further, it is the strong desire of the BOCC to support an efficient transportation infrastructure in the County, a goal forwarded by this project.

6. Plans for pre-project study or findings from study already completed (SKETCH PLAN). A description of tasks to be carried out as part of each phase of the project, and an estimate of costs associated with each (REFINED PROPOSAL).

The origin of the concept for this program is the ongoing Lee County Variable Pricing Program; therefore, the entire County effort to date could be considered findings from a pre-project study. The value priced queue jump work is ongoing. As previously discussed this ongoing work will be incorporated into the proposed project. The following tasks are proposed for this pre-implementation study.

TASK 1 – DEVELOP POTENTIAL VALUE PRICING PLANS FOR THE SANIBEL CAUSEWAY

Based on the experience gained in Lee County, and in other areas of the United States, potential value pricing plans for the Sanibel Causeway will be developed. Plans will consider toll discounts, credit periods for vehicles leaving the Island, variable parking pricing, and a combination of strategies. Up to six scenarios will be developed. For each scenario, an initial assessment of potential impact on traffic and the associated impact in revenue will be developed. The results of this effort will be documented in a brief technical report that will also be incorporated into the final report.

Task Budget: \$40,000

TASK 2 -PRESENTATION OF VALUE PRICING PLANS

Input on the value pricing plans developed in task one will be sought by presenting the plans to the Lee County Board of County Commissioners, the Sanibel City Council, and the Lee County Metropolitan Planning Organization. Two public workshops will also be held, one on Sanibel Island and one on the mainland, to solicit public comment. The results of this effort will be documented in a brief technical report that will also be incorporated into the final report.

Task Budget: \$30,000

TASK 3 - PROJECT FOCUS GROUPS

Four focus groups will be held to probe public thinking on the proposed value pricing plans. One focus group will be directed toward Island residents, one focus group will be directed toward Island businesses, one focus group will be directed to Lee County residents that do not use electronic toll collection (ETC), and one focus group will be directed to Lee County residents that do use ETC. The focus groups will be videoed and up to 50 copies of the focus groups on DVD format will be produced. A video summary of the focus groups will also be prepared. Up to 200 copies of the summary on DVD format will be produced. Also, the results of this effort will be documented in a brief technical report that will also be incorporated into the final report.

Task Budget: \$35,000

TASK 4 - SELECTION OF TWO PREFERRED PLANS

In consultation with the Federal Highway Administration, the City of Sanibel, and other interested entities, Lee County will select two preferred value pricing plans from the plans developed in Task 1. The selection will be based on the following factors:

- Operational Feasibility of the Plan
- Financial Feasibility of the Plan
- Input from the Public Presentations and Meetings
- Focus Group Input
- Past Experience with Value Pricing in Lee County
- Other Information Available at the Time the Decision Is Made

The results of this effort will be documented in a brief technical report that will also be incorporated into the final report.

Task Budget: \$15,000

TASK 5 - STATED PREFERENCE SURVEYS

Two surveys will be conducted to obtain public input on the two preferred plans. The first survey will be a telephone survey of Sanibel and Lee County residents to determine

preferences, and to obtain stated preference of their use of the two plans. A second survey will be distributed at the Sanibel Causeway toll facility. This will be a mail back survey with the same objectives outlined above for the telephone survey. The results of the survey will be analyzed and documented in a brief technical report that will also be incorporated into the final report.

Task Budget: \$40,000

TASK 6 - PLAN REFINEMENT AND ANALYSIS

Based on the results of the surveys, a final preferred plan will be developed. Also based on survey results, the traffic, operational, and financial implications of the plan will be refined. From these results, the overall feasibility of a preferred plan will be analyzed. The feasibility analysis will include public acceptance, operational and financial impacts, required hardware and software, development of project implementation schedule, and development of project implementation costs. The plans, and the results of the analysis, will be documented in a technical report that will also be incorporated into the final report.

Task Budget: \$50,000

TASK 7 - PROJECT IMPLEMENTATION DECISION

Based on the results of task six, and in consultation with the Federal Highway Administration, the City of Sanibel, and other interested entities, Lee County will make a decision on the feasibility of implementing value pricing on the Sanibel Causeway. A monitoring and evaluation plan will also be developed so that the impacts of implementing variable pricing on the Sanibel Causeway can be examined and quantified. Plans to ensure that all legal and administrative requirements are met will also be developed.

Task Budget: \$20,000

TOTAL PROJECT BUDGET: \$230,000.

Due to the pilot nature of value pricing, a budget of \$250,000 is recommended to cover project contingencies.

7. Plans for monitoring and of a waiting value pricing implementation projects, including plans for data collection and analysis, before and after assessment, and long-term monitoring and documenting the project fax (REFINED PROPOSAL).

As outlined above, the monitoring and evaluation plan (MEP) will be developed as part of the pre-implementation study. Due to the nature of toll collection in Lee County, much of the needed data is collected automatically by the County's toll accounting system. Similar information and techniques have been used in prior value pricing

programs implemented in Lee County, and no significant problems were encountered. Further, this data collection technique allows the entire traffic stream, rather than a sample, to be evaluated. This enables a more definitive determination of changes in travel pattern to be made.

8. A detailed finance and revenue plan, including for implementation projects a budget for capital and operating costs; a description of all funding sources, planned expenditures, proposed uses of revenues, and a plan for projects to become financially self-sustaining (without Federal support) within three years of implementation. (REFINED PROPOSAL)

All revenues associated with the pre-implementation study are anticipated to be grant revenues or local match. For the pre-project feasibility study that is the subject of this grant request, a total of \$250,000 is anticipated to be needed. Of this, \$200,000 is expected to be Federal funds. Lee County is anticipating a minimum of \$25,000 in local match. The final \$25,000 in local match will be provided by Lee County, the City of Sanibel, or the Florida Department of Transportation, or a combination of these entities. Revenues would be used for the pre-project study as outlined above.

The finance and revenue plan for implementation will be developed as part of this pre-project study. Lee County has an excellent track record of designing implementation projects which are capable of becoming self-sustaining. The original variable pricing study is still in operation seven years after implementation. The expansion of the original study to heavy vehicles proceeded without any Federal operational support. There are no plans to end either of these variable pricing projects, and both projects are anticipated to continue for the foreseeable future.

9. Plans for involving key affected parties, coalition building, media relations, etc., including either demonstration of previous public involvement in development of the proposed pricing program, or plans to ensure adequate public involvement prior to implementation (REFINED PROPOSAL).

Public involvement plans are detailed in the project scope outlined above. As previously discussed, value pricing has a long history in Lee County and enjoys a high level of public support. This high-level public support is due, in large part, to the outreach efforts that have occurred in the preceding studies. This high-level public outreach is also proposed for the Sanibel Causeway Project.

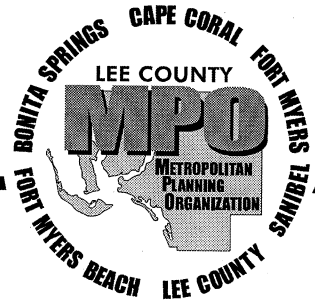
10. Plans for meeting all Federal, State and local legal and administrative requirements for the project implementation, including necessary Federal-aid planning and environmental requirements (REFINED PROPOSAL).

Specific plans for meeting Federal, State and local legal and administrative requirements will be developed as part of the pre-project study. If a federal environmental document proves necessary for implementation of the project, it is highly likely that it will be a Finding of No Significant Impacts (FONSI). Lee County is experienced in all of these requirements, and previous projects have been completed successfully.

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March 4, 2005

Johnny Limbaugh
Manager, Southwest Area Office
Florida Department of Transportation
P.O. Box 1030
Fort Myers, Florida 33902-1030

RE: Variable Pricing Grant Application for pre-project study for the expansion of Value Pricing in Lee County, Florida, to the Sanibel Bridge and Causeway

Dear Johnny:

The Sanibel Bridge and Causeway between McGregor Boulevard on the mainland side of the Causeway and Periwinkle Way on the Island side of the Causeway has always been reported as a very congested location by residents in Lee County during each of Lee County Metropolitan Planning Organization's (MPO) annual updates of the Congestion Monitoring Report since 1998. During peak season, this congestion is especially severe spreading to Periwinkle Way resulting in severe traffic backups in the eastbound direction leading to the Causeway.

The value pricing program study, and its subsequent implementation on the Sanibel Bridge and Causeway by providing toll discounts to transponder using motorists driving to the Island during off peak hours, and credits to their toll accounts when leaving the Island during off peak hours is anticipated to reduce congestion, the goal of the MPO's congestion mitigation program.

A variable pricing program in the Sanibel Bridge and Causeway is also not inconsistent with the MPO's Long Range Transportation Plan, as the Intelligent Transportation Systems (ITS) element of this Plan supports ITS solutions that improve the local transportation systems in combination with multimodal congestion reduction strategies. The same strategy applied in the county's two other toll facilities at the Mid Point Memorial and the Cape Coral bridges is already recognized and identified in the ITS element.

Sincerely,

LEE COUNTY METROPOLITAN PLANNING ORGANIZATION


Glen H. Ahlert

MPO Staff Director

cc: Commissioner John Albion, Chairperson, Lee County MPO
Chris Swenson